



LENDER NEWS

A Publication of the Des Moines District Office and Cedar Rapids Branch Office

February, 2006

From the District Director's Desk

Conversations on Business Development

Dear Lender:

This week we started a series of roundtable discussions called "Building Your Communities Through Successful Small Businesses" to update you on the SBA, its Resource Partners - the Small Business Development Centers (SBDCs) and SCORE - the SBA's Certified Development Companies (CDCs), USDA Rural Development's business programs, and tools for exporting.

The focus is on helping you utilize these programs and services to help you to grow your local small business community. This initial round of discussions is targeted to rural areas and in particular, smaller community based financial institutions and economic development officials.

We hope you will find time in your busy schedule for a short conversation with us on these business and economic development tools. Feel free to invite

and bring your local economic development leaders.

We plan to follow up this series of roundtables with Readytalk sessions for approved Community Express lenders who may have questions about the program and processing of the applications and who want to learn more about the electronic interface that allows you to submit applications 24-7. The Readytalk sessions will utilize a toll free number for teleconferencing and viewing of presentations over a Web site connection.

Here in Iowa, we're working to keep you informed and updated, but as always, if you have a question, or need assistance please contact our office.

Sincerely,

Joseph M. Folsom
District Director

INFORMATION

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(559) 487-5803 FAX

Liquidation & Purchase Center

Herndon, VA
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PLP Processing Center

Sacramento, CA
(916) 930-2463 or 930-2460
(916) 930-2160 FAX

Building Your Communities Through Successful Small Businesses

We've already held our four scheduled February sessions, and we'd like to invite you to attend one of our scheduled March sessions:

- Learn how the SBA and its resource partners work to help small businesses.
- Understand how the SBA 504 Loan Program can be a factor in your local Main Street.
- Find the counseling and training assistance the entrepreneurs in your community need to succeed.
- Obtain the quickest turnaround time for your small business loans.
- Get assistance for businesses in your community who want to export.
- Learn more about the USDA's Business and Industry Program and its new Energy Guarantee Program and how they can help your community.

You're invited to attend one of these FREE roundtables in the communities listed at right. For more information, contact Tom Harbison at (515) 284-4653 or at thomas.harbison@sba.gov.

Date	AM Sessions (9-11 a.m.)	PM Sessions (2-4 p.m.)
March 1	Spencer Iowa Lakes Comm. College Alternative H.S. Room	Sioux City Western IA Tech Comm. College Room B - 158
March 2	Denison Denison Municipal Utilities W. Broadway and 7th - Lg. Conf. Rm.	Atlantic Iowa Western Comm. College 705 Walnut
March 8	Shenandoah Iowa Western Comm. College 1001 W. Sheridan Ave.	Mt. Ayr Smith's Sports and Spirits 104 W. Madison
March 9	Oskaloosa William Penn College Atkins Student Union - SGA Room	Mt. Pleasant Southeastern Comm. College Heatilator Room
March 22	Muscatine Muscatine Comm. College Strahan Lecture Hall	Clinton Clinton Comm. College Graphic Arts Tech Ctr - Room 210
March 23	Marion Kirkwood Comm. College 3375 Armar Drive Lg. Conf. Rm.	Marshalltown Iowa Valley Comm. College Conference Center Room 612

IRS "Lunch and Learn" Phone Forum for Construction Businesses

The IRS is inviting small businesses to participate in their free "Business Phone Forum" on Wednesday, April 19, 2006 from 12-1 p.m. This forum is designed to assist your small business customers who are involved in the construction business. Businesses can participate by calling a special toll-free number which will be provided to them by the IRS.

Topics for the April 19th Session are:

- An overview of the domestic manufacturing deduction as it pertains to the construction industry.
 - Information about independent contractor vs. employee status.
- The level of material will be aimed at construction business people rather than tax professionals and is designed to help them take advantage of new provisions in the law. Participants will have an opportunity to ask questions at the end of the session.

- An overview of a new tax credit (starting in 2006) that construction businesses can take for building energy efficient homes.

To take part in this Phone Forum, business

owners should e-mail their RSVP to sbse.tec.milwaukee@irs.gov. They should put "Construction Forum" in the subject line. Or they can call Kerstin Lanser at (414) 297-1509 to make a reservation. Because lines are limited, reservations are on a first-come, first-served basis. Participants will be e-mailed the toll-free call-in number and the forum handouts.

Specific questions may be submitted in advance to the e-mail address above, as can suggested topics for future phone forums.

Federal Register Notice RE: Surety Bond Fee Increase

On September 28, 2005, SBA published a notice of fee increase in the surety bond guarantee program. The fee increase, effective April 3, 2006, increased the fees charged to surety companies from 20 % of the bond premium to 32% of the bond premium. SBA determined that the fee increase was necessary to supplement the SBG Program's revolving fund to better offset unfunded program liabilities resulting from claims filed by sureties under the program.

Upon further review, SBA has changed the fee increase in order to mitigate the impact of the required fee increase on the surety companies. Effective April 3, 2006:

- The guarantee fee payable by small businesses will be \$7.29 per thousand dollars of the contract amount, in lieu of \$6.00 per thousand dollars of the contract amount, as is currently required.

- The guarantee fee payable by the sureties will be 26% of the bond premium, in lieu of 20% of the bond premium, as is currently required, or 32% of the bond premium as was announced in the September 28, 2005 Federal Register notice.

For questions, or for a copy of the Federal Register Notice, please contact Deb Anderson at debora.anderson@sba.gov.

Note on the Iowa SBA Web site - SBA is currently in the process of revamping its Web site. This will mean a merger of the Des Moines and Cedar Rapids Web pages. If you have either of the local offices bookmarked in your Internet favorites, they will no longer work properly. To best access local office information for the time being, go to www.sba.gov, click on Iowa on the National map, and select "Desmo."

SBA Lender Activity Report for January

LENDER NAME	LOCATION	#	AMOUNT
CAPITAL ONE	VIRGINIA	6	\$210,000
FIRST AMERICAN BANK	FORT DODGE	5	\$868,000
U.S. BANK	IOWA	4	\$430,000
BANK IOWA	CEDAR RAPIDS	3	\$247,100
CEDAR RAPIDS BK & TR CO.	CEDAR RAPIDS	3	\$166,000
WELLS FARGO BANK	IOWA	2	\$60,000
QUAD CITY BK & TR CO.	BETTENDORF	2	\$30,000
WASHINGTON STATE BANK	WASHINGTON	1	\$532,000
UNITED BANK OF IOWA	IDA GROVE	1	\$430,000
CENTRAL STATE BANK	MUSCATINE	1	\$350,000
IOWA STATE BANK	WAPELLLO	1	\$315,300
FIRST COMMUNITY BANK	KEOKUK	1	\$285,500
CORP. FOR ECON DEV.	DES MOINES	1	\$267,000

LENDER NAME	LOCATION	#	AMOUNT
SIOUXLAND ECON. DEV. CORP.	SIOUX CITY	1	\$267,000
FIRST FEDERAL BANK	WEST DSM	1	\$223,000
FARMERS & MERCHANTS SVGS. BNK	LONE TREE	1	\$220,000
NORTHWOODS STATE BANK	MASON CITY	1	\$160,000
COMMUNITY NATIONAL BANK	WATERLOO	1	\$139,500
BLACK HAWK ECON DEV	WATERLOO	1	\$138,000
LINCOLN SAVINGS BANK	CEDAR FALLS	1	\$115,000
ANCHOR BANK, FSB	MADISON	1	\$103,000
HILLS BANK AND TRUST CO.	HILLS	1	\$90,000
IOWA STATE BANK	DES MOINES	1	\$45,000
EXCHANGE STATE BANK	ADAIR	1	\$38,000
FIRST CENTRAL STATE BANK	DE WITT	1	\$20,000
NORTHWEST BANK & TRUST CO.	DAVENPORT	1	\$10,000

The following lenders in Iowa were participant lenders in the SBA's 504 loan program during the month of January

LENDER NAME	LOCATION	#	AMOUNT
BANK IOWA	ALTOONA	1	\$429,664
AMERICAN STATE BANK	SIOUX CENTER	1	\$366,950

LENDER NAME	LOCATION	#	AMOUNT
LIBERTY BANK	GARNER	1	\$165,890